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Agricultural Trends in Western Hemisphere
Spotlight on Scandinavian Agriculture

Foreign
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This week's cover:

Barges wait to be loaded with flour from a mill in Uppsala, Sweden. For a review of Scandinavian agriculture see article beginning page 8.

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Agriculture in the Trends in Production

By HOWARD L. HALL
*Foreign Regional Analysis Division
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Total agricultural output of Western Hemisphere countries, excluding the United States and Cuba, may be near the record achieved in 1969, when the index of production was estimated at nearly 136 (1957-59=100). Large available supplies of many important commodities suggest a significant expansion in the region's exports to the United States and other world markets during the coming year. U.S. farm exports to the region should continue at high levels despite increased competition from other Hemisphere suppliers and economic slowdowns in some countries.

Canada's 1970 wheat area was cut by 50 percent, and farm output will be down sharply from last year's record despite expansion in other grains and oilseeds and some recovery in livestock production. Mexican production will be held near the reduced 1969 level by continued drought; there will probably be a further decline in cotton. A reduction in Central American cotton and coffee output may be offset by a recovery in bananas and some increases in the output of livestock and other food crops.

In many other areas, the 1970 situation reflects favorable growing conditions and an increased emphasis upon expansion and diversification of agriculture to support economic develop-



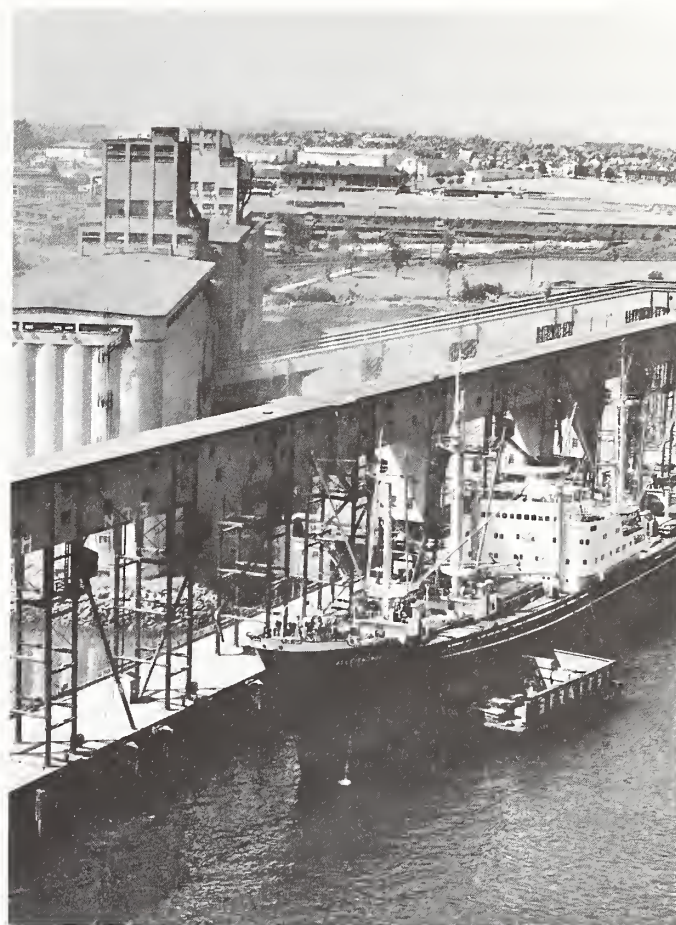
Western Hemisphere and Export Marketing

ment. With a recovery from drought conditions, production of sugar, bananas, and other food crops are expected to be higher in the Caribbean and in the Andes region of South America. Owing to severe frost damage, Brazil harvested one of its smallest coffee crops and cotton production declined; but record production of feedgrains and oilseeds may raise that country's farm output well above last year's high. Large harvests of early grain and oilseed crops also indicate an all-time high for Argentine production, although the wheat crop may be smaller this year.

Wheat production drops, supplies high

Information in mid-August indicated Hemisphere wheat production was about one-third below the 1969 level of 31 million metric tons. Canada's wheat reduction program, "Operation Lift," and poor weather at planting time resulted in a 50-percent cutback in seeded area. A 25-percent decline in Argentina's 1970-71 wheat area is attributed to midyear drought and Government failure to raise support prices. Brazil's harvest is estimated slightly below the 1969-70 record with no significant change anticipated for Mexico and Chile.

In Canada, the large 1969 wheat crop added to a record August 1 carryover of 23 million metric tons. During the 1969-70 marketing year, more aggressive price and credit policies helped raise exports 13 percent above the low 1968-69 level of 7.6 million tons, and feeding of wheat



increased. However, the August 1970 carryover is estimated to be near 28 million tons, up 12 percent above the previous year's record. Available supplies of about 37 million tons for the 1970-71 marketing year are nearly three times as great as anticipated requirements for domestic use and export.

In contrast to Canada, wheat supplies in Argentina will be restricted. The smaller 1970-71 harvest may be partially offset by a larger December 1 carryover. However, total supplies for the 1970-71 marketing year (December-November) may be near 6.5 million metric tons, the smallest since 1962-63. Export availabilities will probably not exceed 2 million tons—about one-third less than this year.

Rice and feedgrains harvests near record

Latin American rice production for 1970 may be near 11 million tons, about 4 percent above records set in 1965 and 1969. The Brazilian crop, estimated at more than 15 percent larger than 1969's, represents very favorable growing conditions. Production is down slightly in Colombia and Guyana, but crops were larger in Argentina, Ecuador, and Peru.

Drought may hold Mexico's 1970 corn harvest near last year's reduced level but Hemisphere production is expected to exceed the 1967 record of 36 million metric tons. A significant recovery is forecast for Canada. In Argentina, favorable prices and growing conditions resulted in a corn harvest of nearly 9.5 million metric tons, the largest in 30 years. Brazil's production will be an alltime high—nearly 10 percent above the 1967 record of 12.8 million metric tons.

Due to diversion from wheat production, Canada's barley



Above, grain elevator at a Canadian port. Canada's barley and wheat exports are expected to be high this year. Left, farmers in Guatemala examine stalk of corn. Western Hemisphere corn production is likely to reach record levels in 1970.

output will maintain an uptrend with the current forecast 6 percent above the 1969 record. The shift from wheat also continued to expand sorghum grain plantings in Argentina, and the 1970 harvest exceeded the 1969 high by more than 50 percent. Sorghum grain production was also up sharply in Mexico where growing feed demand has encouraged its planting as a second crop on wheat land.

Cotton continues a downtrend

In face of lower world prices in 1969, some Latin American countries continued to divert land from cotton production to other crops this year. Total Latin American production is expected to decline for the second year, although it is still above the 1960-64 average. The 1970 crop is forecast sharply below last year's total of 1.6 million metric tons.

A shift from cotton to other crops continued in Mexico, Central America, and Peru. Brazil maintained record plantings, but reports indicate that yields were reduced sharply by drought in the northeast and by late season rains in the southern zone. In contrast, Argentine production continued to expand and the uptrend in acreage was maintained in Colombia.

A reduction in cottonseed output may lower 1970 availabilities of vegetable oils in some Latin American countries and areas including Mexico, Central America, and Peru. However, production of rapeseed and soybeans maintained a sharp uptrend and far exceeded last year's records. A recovery in sunflowerseed and peanuts also suggests much larger Hemisphere export availabilities during the coming year.

Production of oilseeds, coffee

Rapeseed plantings were up sharply again in Canada and 1970 production is estimated at 1.8 million metric tons, more than double the 1969 record of 842,000 metric tons. Soybeans, a relatively new crop in Latin America, continued to gain acceptance in many countries in the area with principal expansion taking place in Brazil, currently the world's third largest producer. Favorable prices and growing conditions led to a recovery in Argentina's sunflowerseed production after a 2-year decline; and production is estimated near the 1967 record of 1.2 million metric tons.

Latin America's coffee production is estimated to be nearly 2 million tons, the lowest level in recent times. Sugar will maintain a climb that has been in progress for several years, with an output forecast of about 5 percent above the 1969 level of 12.5 million tons. Banana harvests will also be much larger in 1970.

Brazil's 1970 coffee crop, reduced sharply by last July's severe frosts in Paraná, will be less than 600,000 metric tons. Harvests in Mexico and El Salvador also suffered from adverse weather but increased production is forecast in some other producing countries, including Guatemala and Ecuador.

Brazil's coffee supply has been reduced by five previous unsatisfactory crops which were below requirements for domestic use and export; and with this year's small harvest, the 1971 carryover may drop below those requirements for the first time in more than a decade. Discovery of coffee rust in its northern coffee zone this year added to Brazil's concern with lower coffee supplies.

Sugar output up, meat stable

Sugar production in the Dominican Republic is forecast at an alltime high—about 20 percent above 1969. Improved supplies of irrigation water resulted in a sharp recovery in Peru's sugar output, and outturns were significantly larger in Central America, Argentina, Brazil, and Colombia. Growing conditions were generally favorable in the important banana producing areas. Plantings continued to expand in Costa Rica and Panama, and there was recovery in Honduras where last year's crop suffered from hurricane damage.

Current reports suggest that limited numbers of livestock, particularly cattle, may restrict significant expansion in Hemisphere meat production this year. Canadian producers are still rebuilding cattle herds; and numbers appear to have been reduced significantly during recent drought periods in some Latin American countries including Mexico, Argentina, Chile, and Peru. These and other factors continue to encourage growth of more intensive poultry enterprises in Latin America to meet the growing urban demand for meat.

Canada's January-July 1970 cattle and calf slaughter was about 5 percent below the same period last year. However,

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PRODUCTION OF SELECTED AGRICULTURAL COMMODITIES IN WESTERN HEMISPHERE COUNTRIES

Commodity and country	Average 1960-64	1967	1968	1969	Commodity and country	Average 1960-64	1967	1968	1969
	1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons		1,000 metric tons	1,000 metric tons	1,000 metric tons	1,000 metric tons
Wheat:					Bananas:				
Canada	14,651	16,137	17,686	18,623	Brazil	4,995	8,056	8,435	9,100
Argentina	7,164	7,320	5,740	7,020	Ecuador	2,148	2,500	2,550	2,600
Mexico	1,510	2,057	1,793	2,200	Costa Rica	474	784	1,064	1,479
Rice:					Coffee:				
Brazil	5,566	6,792	6,600	6,900	Brazil	1,550	1,380	990	1,140
Colombia	532	640	786	720	Colombia	466	480	474	480
Peru	337	461	195	300	Central America	331	403	355	396
Corn:					Sugar, centrifugal:				
Brazil	9,436	12,824	12,814	10,808	Brazil	3,461	4,465	4,358	4,675
Argentina	4,778	8,000	6,520	6,860	Mexico	1,723	2,430	2,286	2,508
Mexico	6,237	8,500	8,600	6,500	Dominican Republic	829	813	667	885
Cotton:					Beef and veal:				
Brazil	483	449	606	719	Argentina	2,208	2,570	2,561	2,835
Mexico	480	435	533	381	Brazil	1,376	1,505	1,550	1,575
Colombia	70	97	120	135	Canada	677	856	903	869

Recent World Actions on Pure Food and Pesticides

Poland Takes Pure Food And Pesticide Measures

The Polish Council of Ministers recently adopted the country's first comprehensive resolution in the pure food field. The resolution, or draft law, provides for broadscale supervision of food sanitation and purity from the raw-product stage through processing and handling to restaurant and store use. It prohibits the sale of food articles containing any substances which are injurious to health or can change food so as to make its consumption hazardous or impossible.

Under the draft law, producers will be compelled to label packages with information vital to health protection, such as product contents, storage instructions, and product life (spoilage date). Packaging materials may not contain any substance harmful to food. People whose health could affect food utilized by a large number of consumers may not be employed in production or distribution channels. Penalties for infringement of hygiene requirements include imprisonment for up to 3 years.

Major responsibility for administering the law is given to the Polish Ministry of Health and the State Sanitary Inspection System. These agencies will fix hygienic and sanitation standards for production, processing, and distribution of food products and will establish requirements for enforcing these standards. The resolution authorizes the Ministry to withdraw commodities for production and/or distribution and to forbid the use of harmful food processing systems.

Poland will also phase out use of DDT, employed largely against the potato beetle in an area covering some 6.9 million acres. Starting in 1971 all preparations containing the chemical as the only active component are to be withdrawn. Restrictions on other compounds will follow later and by 1976, no DDT at all will be used. Taking its place will be alternative pesticides, probably organic phosphates or those produced from carbamates. Meanwhile, the Institute of

Organic Chemistry is continuing its research on DDT substitutes.

DDT production in Poland for domestic use is expected to reach 2,000 metric tons (pure DDT content) this year but will be reduced next year to 850 tons. Production of the insecticide for export will continue, however.

U.K. Regulates Antibiotics in Animal Feeds

The United Kingdom recently announced new measures to regulate the use of antibiotics in animal feedstuffs. Effective March 1, 1971, the retail sale or supply of feedstuffs containing penicillin, chlortetracycline, and oxytetracycline will be lawful only on prescription or in accordance with a written authority of a veterinary surgeon or practitioner. The sale and supply of flavomycin and virginiamycin, now permitted only on prescription, will probably be permitted without prescription before March 1 of next year.

The new regulations follow the recommendations of the Joint Committee on the use of Antibiotics in Animal Husbandry and Veterinary Medicine (the Swann Committee), whose report was published in November 1969. The committee's principal recommendation was that antibiotics should be classified as either "feed" or "therapeutic" and that only the former should be available without prescription for use in feedstuffs.

The United Kingdom took its first action on the Swann Committee's recommendations in March of this year by permitting the sale and supply, without prescription, of pig and poultry supplements and feedstuffs containing zinc bacitracin, a "feed" antibiotic.

Canada To Restrict Sale Of Mercury Pesticides

The Canada Department of Agriculture (CDA) recently announced plans to restrict the Canadian sale of mercury

pesticides in 1971. The announcement was in the form of a memorandum sent to the pesticide industry by CDA's Plant Products Division.

The notice stated that seed-treatment products or other pesticides containing mercury will not be registered if suitable alternatives are available. Exceptions are made if the product:

- Does not leave mercurial residues in food or feed or adversely affect bird and animal life when used according to directions;
- Requires continued registration by the Canadian Government in order to avoid difficult disposal problems in getting rid of existing stocks; or
- Is necessary to control plant diseases of essential crops.

The memorandum to the trade said that no restrictions are contemplated for other uses of mercury, such as for controlling turf diseases and apple scab. However, it stated that "these uses are being reassessed."

Canada Bans Sale of Food Containing Cyclamates

As of September 1, the Canadian Government completely prohibited the sale of food containing cyclamates. The last step in a gradual phaseout program which began in October 1969 was a ban on the sale of dietetic canned fruits and other foods containing the artificial sweetener.

In December 1969, the country prohibited the sale of soft drinks and beverage bases and mixes containing cyclamates. The second step of the program was an April 1970 ban on the sale of additional foods containing cyclamates—fruit spreads, puddings, bakery products, frozen and other desserts, confectionery, table syrups, dressings, and toppings. Since August 12, the country has not manufactured or imported foods containing the sweetener.

Sweetening preparations containing cyclamates are considered drugs and will

(Continued on page 15)

Israel Makes Multi-use of U.S. Soybeans In Its Economy



By CALVIN S. SPILSBURY
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American soybeans and their products fit into the economy of Israel like a square peg in a square hole. Having no major oilseed crop of its own, this small but modern country (with an area and population density much like those of Maryland) has become a steady and reliable cash customer for soybeans from the United States. From these beans, the Israeli crushing industry produces high-quality soybean oil, which is the mainstay of the country's edible fats and oils supply. It also produces soybean meal, the use of which by the Israeli mixed feed industry has helped to bring Israel self-sufficiency in poultry meat at one of the world's highest rates of per capita consumption.

U.S. shipments of soybeans to Israel have ranged between about 160,000 and 275,000 metric tons a year; in the marketing year 1967-68 they were 259,000 tons. The next year they fell to about 177,000 tons because of a production slump in Israel's poultry industry, which is the major market for soybean meal feeds. However, with the recovery of this industry in 1969-70, U.S. shipments rose to 226,000 tons.

Soybeans and the fats and oils supply

Israel has a modern continuous-solvent-extraction industry consisting of seven crushing plants with a total capacity of about 2,500 tons per day, or over 800,000 tons per year. At present rates of crushing, the industry is operating at less than 40 percent of capacity. One of the mills has a crushing capacity of over 700 tons; three, from 400 to 500 tons; two, from 150 to 200 tons; and one, less than 100.

Crushings in 1969 reached near-record levels of 267,000 tons, an increase of 19 percent over the 224,000 of 1968. The mills for the most part have their own refining and deodorizing operations and are capable of producing a fine grade of cooking and frying oil.

Domestic soybean oil production averages around 40,000 to 48,000 tons annually, all crushed from U.S. soybeans. Soybean imports, which were 252,000 tons in 1968, rose to 290,000 in 1969.

Most of the soybean oil produced is consumed as liquid oil; it is the basic cooking fat in Israel, providing over 80 percent

of total fats and oils supplies. Consumption of soybean oil is around 40 pounds per capita per year, out of a total fats and oils consumption of 49 pounds. The remaining vegetable oil comes mainly from cottonseed (4,000 to 5,000 tons) and small quantities of sunflowerseed, safflowerseed, sesameseed, and peanuts. Israel also produces some 1,500 to 2,000 tons of olive oil. To supplement its domestic oil supply, it imports from 15,000 tons to 20,000 tons of U.S. soybean oil a year, mostly under P.L. 480 programs.

Soybeans and the mixed feed industry

The soybean meal produced by the crushing plants is the basic high-protein ingredient used by Israel's very modern mixed feed industry. In 1969, when this industry's output of mixed feed totaled 1,080,000 tons—after a steady increase from the 700,000 tons produced 10 years earlier—its use of soybean meal amounted to 179,000 tons, or 17 percent. Other ingredients included some 12,000 tons of cottonseed meal (with the gossypol content, harmful to nonruminants, removed) crushed from 32,000 tons of domestic cottonseed; whole cottonseed (including lint) and citrus rinds, used in cattle feed; and fishmeal. Soybean oil foots from refined acidulated soap stock are used as an oil ingredient. Nearly 60 percent of the industry's output is poultry feed;

All of the soybean meal production, other than the small amount exported, is sold directly to the mixed feed mills. About 80 percent moves in bulk to the large mills producing over 100,000 tons a year each; but 20 percent is still being bagged for the many small modern mills operated by *kibbutzim* (communal farms) and cooperatives.

Much like the meal produced in the United States, Israel's soybean meal is 44 to 50 percent protein. Processed under modern techniques, including those for toasting, this meal meets high standards. It has established itself as an essential ingredient in the production of balanced poultry feeds. In feed for broilers and other poultry, the mixed feed mills use it at the rate of 20 percent, and conversion ratios have been very good—around 2 to 2.8, depending upon the availability of total feed supplies and supplements. In layer feeds, it is used at a 16-percent rate.

Israel's poultry industry, aided by the use of these soybean meal feeds, is an outstanding example of agricultural progress. The country now produces approximately 90,000 tons of poultry meat each year, and has an estimated annual



Far left, tanker discharges edible oils for storage near Haifa. Left, technician at oil plant checks soybean oil for stability.



per capita consumption of nearly 70 pounds—a level exceeded by few other countries. This is half of the total per capita meat consumption. In 1969, Israel also produced about 14,000 tons of turkey meat. Its table egg output, from about 6.5 million layers, is close to a billion a year; its per capita consumption, some 320.

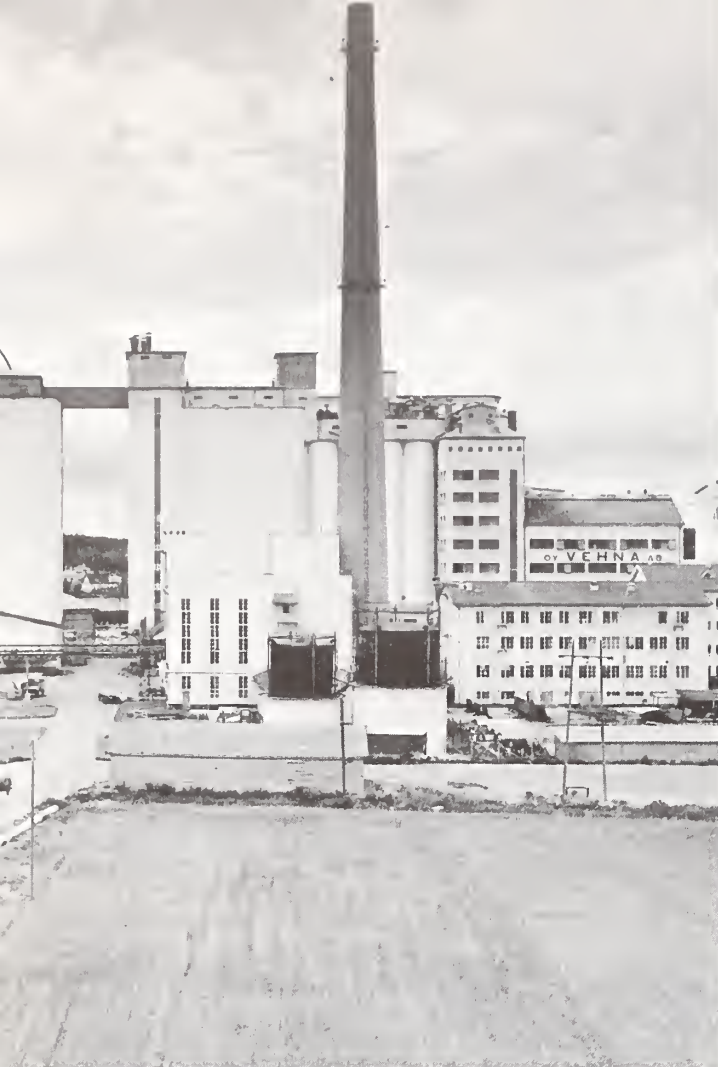
Israel has around 167,000 head of dairy cattle and 78,000 head of beef cattle. In their rations, too, soybean meal is an important ingredient; and soybean flour is used as a milk replacer for calves. But there is still an overall shortage of edible protein, especially that provided by red meats. In view of this, several crushing plants are interested in producing various forms of textured soybean protein for human consumption, and at least one plant has begun production.

How the soybean trade is handled

The Government is striving to maintain a balanced supply of soybean meal and feedgrains to provide modern feed formulations. All soybean imports are handled directly by the Ministry of Commerce and Industry. This Ministry maintains a purchasing office in the United States for soybeans, grains, and P.L. 480 oil; provides supervision for discharging soybeans and grain at Israeli ports; and determines prices for sales of soybeans to crushers. The Government imposes no customs duty on soybeans or other oilseeds, but soybean oil carries a duty of \$142 per metric ton.



Top, regional feed mill at Granot Kibbutz; center, layers and breeding stock in North Israel; left, herding cattle.



Denmark, Norway, Sweden, and Finland—already members of the European Free Trade Association—may be on the threshold of new relationships with Western Europe. Denmark and Norway are now negotiating possible entry into the European Community. To any such ties, the countries will bring distinct agricultural patterns and achievements.

By MARSHALL H. COHEN
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In June and July, 1970, Norway, Sweden, Denmark, and Finland saw 20 consecutive days of sunshine, a phenomenon so rare to Scandinavia that the Nordic man-on-the-street can generally count on his fingertips those years when similar periods of unbroken warmth have occurred. To the average Scandinavian, the dry, warm June of 1970 was a reward for his having endured an extremely long and cold winter and spring: snow fell as late as April in southern Sweden. To the farmer, the adverse weather pattern resulted in damage to some winter-seeded crops, and in late plantings of spring crops; also, the effects of an excessively dry June affected yields in many principal production areas.

Thus, although adequate rainfall occurred during July, thereby improving earlier crop estimates, it is unlikely that Scandinavia's 1970 total grain production will equal the record crop of 1968 of nearly 15 million tons for the four countries which make up Scandinavia. Total grain production should—at best—be about the same as last year, around 14 million tons.

Southwestern Finland, the country's major grain producing area, is a mosaic of relatively small farms, having the appear-

Below, an open market in Copenhagen. Left, cattle in a wooded Finnish pasture. (Photos by the author.) Finnish factory, above, includes flour mill, feed plant, and grain storage facilities.



Farming on the Nordic Croplands: Recent Production Trends and Prospects



Goats climb along Norway's rugged coast. (Photo by the author.)

ance of a carefully interlocked puzzle, and contrasting with forests and lakes. Despite Finland's geography—nearly one-half of the country's length is above the Arctic Circle—it has, in recent years, reached self-sufficiency in eggs, in dairy products, in most meats, and in feedgrains. Finland's agricultural areas lie far north. By contrast, about 80 percent of Sweden's croplands lie in areas further south than the southernmost part of Finland.

Contrasts in Denmark and Sweden

In Denmark there are vast farmlands, uninterrupted by forest. The gentle, rolling, low-lying hills that characterize rural Denmark contrast with other Scandinavian countries such as Norway where dramatic mountains and long fiords dominate the scenery. Within minutes after leaving any metropolitan area in Denmark, farms dot the countryside at regular intervals.

Alslevgaard in Denmark is a fine example of a large mixed-farm enterprise—about 550 acres are arable, and 24 acres are in forest. (An average Danish farm is only about 40 acres.) The animal inventory included about 60 cows, 50 sows, steers, and hundreds of piglets. Many of the breeding hogs are sold to other farmers. The number of cows in this area has been declining since in recent years the dairy industry has been shifted to Jutland—in western Denmark—where the pasture land is more abundant.

The farm's cropping pattern this year included wheat, oats, rapeseed, sugar beets, horsebeans—a high-protein pulse—and grass crops. Of the grass crops, about 125 acres were sown to Italian rye grass, a relatively high-protein grass becoming increasingly common in Denmark. Italian rye grass, alfalfa, and horsebeans were artificially dried and manufactured into pellets for use on the premises. They were also sold to neighboring farmers. The artificial drying of grass is gaining importance in Denmark, partly due to continuing labor problems. However, this activity generally occurs on very large grain farms or commercial enterprises where appropriate machinery is available.

Alslevgaard in Denmark contrasted in size with a more typical farm called Sjögaard in Sweden. Sjögaard is an effi-

cient mixed-farm enterprise of about 125 acres, and is family operated with the assistance of modern farm tractors and accessories, and milking machines. Although most farms in Sweden are small—still below 40 acres in size—about two-thirds of the country's arable area is in units of over 50 acres. In recent years, the Government has increased rationalization measures, encouraging these larger producing units while gradually reducing the number of small, low-yielding farms. About 6,000 to 8,000 small farms have been retired annually. Technological and economic developments are making higher demands on the land, demands that cannot be met by maintaining very small farms in many areas.

This year the farm's cropping pattern included wheat, barley, oats, and hay crops. Much of the wheat crop was used for feed, partly because of a 1969 drought which reduced feedgrain stocks. Wheat area has increased on Sjögaard, and on many Swedish farms, largely to meet higher demand for feed. Correspondingly, area planted with root crops and grass has declined. Grass crops were largely clover and timothy.

Typical Swedish Red and White (SRB) milk cows, totaling about 50, were raised at Sjögaard (approximately 70 percent of all livestock cattle in Sweden are the SRB). They are milked for an average of 3 years. The cows being replaced on the farm—about 10 annually—are then used for beef. There are few animals in Sweden bred only for beef. However, in recent years, beef production has increased. This occurred after a large number of cows were slaughtered, a development encouraged by the Government in an effort to reduce dairy surpluses. Sjögaard maintains about 12 sows, suckling pigs, a boar, a few horses, and a small poultry flock. Eggs produced are largely for local consumption.

Sjögaard seemed well irrigated, although nearby farms in the same district were not. Many wheat crops were replanted with barley and oats owing to severe winter damage.

Finland faced with small farms, surpluses

Finland, one of the Scandinavian four, is faced with problems that are known to many countries. It has too many small farms (the average farm is only 22 acres) and surpluses in some commodities. In recent years, the Government

has initiated a number of policies to meet these problems. To reduce the surpluses of milk, the Government has granted special subsidies to farmers who have agreed to cull dairy herds. A soil bank program was implemented in Finland in April 1969—the first in Western Europe. During its first year of operation, about 222,400 acres of fields left fallow (about 3 percent of Finland's cropland) qualified for compensation of about \$24 per acre. Land taken out of production will be used for the planting of forests and for specialized grain production—for example barley instead of wheat. Another 148,250 acres will be taken out of production in 1970.

A characteristic southwest Finnish farm is owned by the Korpela family. Its field crops were wheat, oats, grass for hay, and potatoes. In nearby fields, handsome Finn cattle grazed. This is the dominant breed in Finland. The summer grazing period, when the cattle are on pastures, is short—about 4 months in southern Finland—and thus livestock raising is relatively expensive owing to the long winters.

Norway's topography varies

The geography of Norway is more diversified than the rest of Scandinavia. There are several major crop producing areas—in the southeast near Oslo, in the central Trondheim district, and in the southwest, south of Stavanger. Small farms produce grain crops in mountain valleys that are surprisingly rich in mineral nutrients. Norway must cultivate its crops on an arable land area that comprises only 3 percent of the total. By contrast, Denmark enjoys an arable land area which totals 70 percent.

The climate in Norway's major grain producing area in the eastern part of the country tends to be more continental than in western Norway. The area is somewhat warmer due to natural protection from the ocean's chill afforded by the vast mountain chain to the west of Oslo. The sharing of a continuous land area with Sweden also helps to moderate the weather. The effects of the dry June, which struck areas in the other Scandinavian countries, were not felt as badly in several growing regions in Norway.

Although most of the arable area in Norway is used for grass crops to support animal husbandry, wheat and rye are

also grown there. As is common throughout Scandinavia, the area planted to grass has been reduced, as have cattle numbers.

Nevertheless, despite Norway's geographic disadvantages, its agricultural productivity is high owing to a rising degree of farm technology and a highly educated agricultural labor force. Farm size is increasing gradually, although the average unit is still only about 12 acres.

Tromsø, a coastal town in northern Norway—about 250 miles north of the Arctic Circle on the rim of the Lapland region—illustrates the country's geographic diversity. Tromsø lies in the treeless tundra zone of Northern Europe where the topography is in striking contrast with southern Norway. There are small, isolated coastal pockets of fertile soil that support tiny farms. Despite a 3-month growing season, the farms of the area benefit from the warming effects of the Gulf Stream and 24 hours a day of summer sunlight, and produce adequate crops.

Along the Norwegian coast are scores of relatively isolated small farms. Many of these farms are nestled at the base of high, rocky cliffs which dramatically meet the fiords. The relationship between farming and fishing was also obvious; fishing boats were frequently moored at quays not far from growing fields.

In contrast to the isolated farms along the coast, the farms in the central Trondheim area were larger; and the cropping pattern was diversified in comparison to the arctic farms. There were long, narrow fields with multiple cropping valleys which are surrounded by snowcapped mountains. The size of Norway's cattle herds increases as one travels southward. In the Trondheim district, these are largely the Tonder cattle—crosses between indigenous Norwegian breeds and imported Ayrshires.

Characteristics of the country's farm-fishing economy is the community on the west coast island of Giske. Farm families harvest hay which they sun-dry over primitive wooden triangle-shaped fencing. Both sheep and cattle graze on the coarse grasses. Small vegetable crops for home consumption gave further evidence of the self-sufficiency of these island farms. But close at hand were their boats—brown oak craft ready to serve the farmer-fisher as required.



In northern Norway—"The Land of the Midnight Sun"—typical farms are a collection of small buildings nestled together in the rolling valleys.

CROPS AND MARKETS SHORTS

Argentine Dried Fruit Production

Argentina reports that 1970 dried fruit production approximates last season's. Reports indicate that a larger raisin pack offset the decline in dried prune production.

Prune production is estimated at 4,400 short tons, 20 percent below the 1969 crop of 5,500 tons. A strong fresh market demand cut supplies available for drying. The raisin crop of 3,300 tons is 50 percent above the 1969 production of 2,200 tons. Commercial production of dried pears was almost insignificant.

Raisin and prune exports are not expected to reach last season's level. Domestic prices are currently firm, prune supplies are smaller, and raisin export sales are no longer being made on a consignment basis. Total 1969 exports are estimated at 5,800 tons of prunes and 1,500 tons of raisins. Brazil is the major export market for Argentine exports of dried prunes and raisins.

ARGENTINE PRODUCTION OF DRIED FRUIT

Item	1967	1968	1969	1970 ¹
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Prunes	10.7	5.5	5.5	4.4
Raisins	6.2	11.0	2.2	3.3

¹ Estimated.

Turkish Raisin Crop a Record

Excellent weather conditions contributed to a record 1970 Turkish raisin crop. Sultana production is estimated at 135,000 short tons, 36 percent above the 1969 crop of 99,000 tons and 33 percent above the 1964-68 yearly average, thanks to the better cultivation techniques being utilized. Fruit clusters are very large, though size of berries is not uniform.

Current forecasts indicate that 1970-71 season exports will exceed those of recent years. Last season's total is estimated at 73,300 tons, 14 percent below 1968-69. Major markets during the 1969-70 season were the United Kingdom, Russia, and the Netherlands.

SUPPLY AND DISTRIBUTION OF TURKISH RAISINS

Item	1967-68	1968-69	1969-70 ¹	1970-71 ²
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Beginning stocks (Sept. 1) ...	36.4	38.6	52.9	30.0
Production	103.0	114.0	99.0	135.0
Total supply	139.4	152.6	151.9	165.0
Exports	86.3	85.1	73.3	—
Domestic disappearance	14.5	14.6	14.1	—
Ending stocks (Aug. 31)	38.6	52.9	³ 64.5	—
Total distribution	139.4	152.6	151.9	—

¹ Estimate. ² Forecast. ³ Includes 34,500 tons of raisins produced before 1968 which are considered to have no commercial value.

Portuguese Fig Crop Up

With favorable weather conditions recorded throughout the growing season, Portugal reports the largest dried fig crop since 1963. 1970 production is estimated at 12,000 short tons, 9 percent above last year and 15 percent above the 1964-68 yearly average.

Exports of dried figs and fig paste are expected to show modest gains during the 1970-71 season. Total 1969-70 season exports of these products are estimated at 5,000 tons, 14 percent below 1968-69. The principal export markets for Portuguese dried figs are the United Kingdom, Bulgaria, Holland, and Brazil. The United States and West Germany are the major fig paste markets.

PORTUGAL'S SUPPLY AND DISTRIBUTION OF DRIED FIGS

Item	1967-68	1968-69	1969-70 ¹	1970-71 ²
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Beginning stocks (Sept. 1) ...	0.9	0.6	0.2	0.1
Production	10.0	11.0	11.0	12.0
Total supply	10.9	11.6	11.2	12.1
Exports	5.9	6.0	5.0	—
Domestic disappearance	4.4	5.4	6.1	—
Ending stocks (Aug. 31) .....	.6	.2	.1	—
Total distribution	10.9	11.6	11.2	—

¹ Preliminary. ² Forecast.

Iranian Dried Fruit Crop Rises

Ideal weather conditions and a good distribution of early spring rainfall in Iran combined to produce the largest dried fruit crop since 1963. Dried fruit production is estimated at 409,000 short tons, 13 percent above the 1969 crop of 363,400 tons and 9 percent above average. Larger 1970 crops are reported for all commodities. The raisin and apricot crops are estimated at 66,000 tons and 13,000 tons, respectively. Quality is reported to be excellent. Forecasts indicate a bumper date crop of 330,000 tons. Tapping of underground water and new plantings are expected to contribute to increases in future date production.

Larger exports of all dried fruits are expected during the 1970-71 season. Total 1969-70 exports of raisins and apricots

IRANIAN DRIED FRUIT PRODUCTION

Item	1967	1968	1969	1970 ¹
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Apricots	7.2	9.4	4.4	13.0
Dates	310.0	309.0	320.0	330.0
Raisins	50.0	66.0	39.0	66.0
Total	367.2	384.4	363.4	409.0

¹ Forecast.

are estimated as sharply below the 1968-69 crop and below average, totaling 22,000 and 4,000 tons, respectively. Date exports approximated the 1968-69 level of 44,900 tons. West Germany, Russia, the United Kingdom, East Germany, and Czechoslovakia are the main export markets for Iranian raisins. Major importers of Iranian dates are Middle East countries, India, Russia, and the United States.

Yugoslav Dried Prune Crop Down

Cold and rainy weather during blossoming cut the Yugoslav fresh prune crop, contributing to a below-average 1970 pack of dried prunes. Dried prune production is estimated at 17,000 short tons, less than half the large 1969 pack of 45,000 tons. But favorable weather conditions prevailed during July and August, and reports indicate a prune crop of larger sizes and better quality than last season.

Current forecasts indicate that 1970-71 season exports will fall below 1969-70 but remain above the 1964-68 yearly average. Total 1969-70 season exports are estimated at 20,900 tons, the highest level since 1963. During the first 9 months of the season, about three-fourths of the exports went to Eastern European countries and one-fourth to Western countries. Russia and the United Kingdom were the two largest foreign markets for Yugoslavia's production.

YUGOSLAV DRIED PRUNE
SUPPLY AND DISTRIBUTION

Item	1967-68	1968-69	1969-70 ¹	1970-71 ²
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Beginning stocks (Oct. 1) ...	5.0	6.6	2.8	16.5
Production	25.2	14.1	45.0	17.0
Total supply	30.2	20.7	47.8	33.5
Exports	14.0	7.7	20.9	—
Domestic disappearance	9.6	10.2	10.4	—
Ending stocks (Sept. 30)	6.6	2.8	16.5	—
Total distribution	30.2	20.7	47.8	—

¹ Estimate. ² Forecast.

Larger Australian Dried Fruit Pack

Favorable weather conditions contributed to a larger 1970 Australian dried fruit pack. Production is estimated at 111,500 short tons, almost twice the short 1969 crop of 64,100 tons, but slightly below average. Sultana raisin production totaled 91,000 tons, the second largest pack of record.

AUSTRALIA DRIED FRUIT PRODUCTION

Item	1967	1968	1969	1970
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Raisins:				
Sultanas	97.0	75.6	44.8	91.0
Lexias	8.8	7.0	4.4	3.9
Currents	10.1	9.0	7.6	9.0
Prunes	66	1.8	3.7	5.0
Apricots	3.7	1.5	3.1	1.9
Peaches .....	.8	.6	.4	.4
Pears .....	.2	.5	.1	.3
Total	127.2	96.0	64.1	111.5

Winery demand was strong for Gordo and Waltham grapes, reducing the volume of fruit for drying. Lexia production totaled 3,900 tons, 11 percent below 1969. Production of dried prunes, currants, apricots, and pears rose above last year's. The dried peach pack equaled 1969.

Exports of most dried fruits are expected to exceed those of 1969. Sultana exports are forecast at 67,000 tons, 57 percent above 1969. Total 1970 exports of currants and prunes are forecast at 5,000 tons and 1,700 tons, respectively. Smaller Lexia raisin exports of 300 tons are forecast. The major Australian sultana markets are the United Kingdom, West Germany, and Canada. New Zealand, Canada, and the West Indies are the major 1970 buyers of Australian currants. Australia's major prune markets are the United Kingdom and Jamaica.

SUPPLY AND DISTRIBUTION OF
AUSTRALIAN SULTANAS

Item	1967	1968	1969	1970 ¹
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Beginning stocks (Jan. 1) ...	13.2	30.3	20.2	6.2
Production	97.0	75.6	44.8	91.0
Total supply	110.2	105.9	65.0	97.2
Exports	63.7	67.9	42.6	67.0
Domestic disappearance ...	16.2	17.8	16.2	17.0
Ending stocks (Dec. 31) ...	30.3	20.2	6.2	13.2
Total distribution	110.2	105.9	65.0	97.2

¹ Forecast.

Germany Sets Cut Flower Tender

West Germany has announced a tender allowing imports of fresh cut flowers other than tulips, hyacinths, narcissi, orchids, and anthuria.

Applications for import licenses will be accepted until an undisclosed value limit is reached, but not later than December 30, 1970. Licenses will be valid until December 31 or until 3 days after an announcement in the Bundesanzeiger that the value limit has been reached. The first day of customs clearance is October 1. Imported flowers must meet EC quality standards and West German phytosanitary requirements.

Greek Dried Fruit Production

Greece estimates that its 1970 dried fruit crop will approximate that of last season. Production is estimated at 224,000 short tons, close to the 1969 crop total of 225,600 tons and above the 5-year 1964-68 average. A dry season on the Island of Crete held sultana production to 88,000 tons, 6 percent

GREEK DRIED FRUIT PRODUCTION

Item	1967	1968	1969	1970 ¹
	1,000 short tons	1,000 short tons	1,000 short tons	1,000 short tons
Currents	99.2	101.0	102.3	106.0
Raisins	62.8	106.8	93.8	88.0
Figs	17.8	26.4	29.5	30.0
Total	179.8	233.4	225.6	224.0

¹ Forecast.

below 1969. Production of currants at 106,000 tons and of dried figs at 30,000 tons was above last year.

Forecasts indicate smaller 1970-71 season exports of raisins and currants but moderately larger fig exports. Total 1969-70 dried fruit exports were slightly below 1968-69. Raisin exports are estimated at 83,800 tons, 7 percent below 1968-69. Currant exports estimated at 61,700 tons were 6 percent above 1968-69, while fig exports of 10,500 tons were lower.

GREEK SUPPLY AND DISTRIBUTION OF RAISINS

Item	1967-68	1968-69	1969-70 ¹	1970-71 ²
	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>
Beginning stocks (Sept. 1)	27.8	12.1	11.0	6.6
Production	62.8	106.0	93.8	88.0
Total supply	90.6	118.1	104.8	94.6
Exports	57.4	90.4	83.8	—
Domestic disappearance ...	21.1	16.7	14.4	—
Ending stocks (Aug. 31) ...	12.1	11.0	6.6	—
Total distribution	90.6	118.1	104.8	—

¹ Estimate. ² Forecast.

Larger Turkish Dried Fig Crop

Turkey reports its largest dried fig crop since 1966. The 1970 crop is now estimated at 55,000 short tons, 4 percent above last year's production of 53,000 tons. Weather conditions have been very favorable and quality is reported to be much better than last year. No serious pest or disease problems were reported.

Trade sources expect 1970-71 exports to exceed those of the 1969-70 season—preliminarily estimated at 36,900 tons, 6 percent below those of 1968-69. France and West Germany are the major buyers of Turkish figs, and the United Kingdom and the United States are the major markets for Turkey's exports of fig paste.

TURKISH DRIED FIG SUPPLY AND DISTRIBUTION

Item	1967-68	1968-69	1969-70 ¹	1970-71 ²
	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>	<i>1,000 short tons</i>
Beginning stocks (Sept. 1)	—	—	—	—
Production	51.8	49.6	53.0	55.0
Total supply	51.8	49.6	53.0	55.0
Exports	39.2	39.2	36.9	—
Domestic disappearance ...	12.6	10.4	16.1	—
Ending stocks	—	—	—	—
Total distribution	51.8	49.6	53.0	—

¹ Preliminary. ² Forecast.

Rwanda Coffee Crop Up

Rwanda's coffee crop this year is considerably above the 9,000 metric tons (150,000 bags of 60 kg. each) produced in 1969. The quality is also reported to be improved. All purchases of Rwandan coffee after August 1 are over quota under the International Coffee Agreement and must be held until October 1 if shipped to traditional markets.

The bumper coffee crop will result in a substantial boost

to the Rwandan economy. Coffee accounts for more than 50 percent of the country's exports, more than 10 percent of the gross national product in terms of money, and nearly 90 percent of all peasant earnings from modern cash crops. The larger crop this year will improve the income of the 350,000 coffee growers, will more than cover the budget deficit predicted earlier this year, and may enable Rwanda to reduce its indebtedness to the International Monetary Fund.

Brazil Finances Coffee Plantings

Brazil's National Monetary Council has approved a resolution granting coffee growers a new financing program for planting an additional 200 million coffee trees until the end of 1970. Under this resolution coffee growers can obtain loans for trees planted. The loan term will be 6 years at an annual interest rate of 6 percent, with 3 years of grace. The Brazilian Coffee Institute's (IBC) coffee planting program announced last November, with a goal of 100 million new trees by August 31, 1970, failed to reach original expectations. According to IBC, only 42 million trees were planted by July 31, 1970, and 26 million of these were in the State of São Paulo. The new planting program calls for 70 million trees in the State of São Paulo, 50 million in Minas Gerais, 40 million in Paraná, and 40 million in Espírito Santo and other States.

Thailand Expects Sugar Surplus

Thailand is currently anticipating a surplus of some 110,000 metric tons of sugar in 1970-71. Thus far, the sugarcane which will make the 1970-71 sugar crop is growing satisfactorily, for weather conditions have been favorable. The 1970-71 sugar output is forecast at a record 510,000 metric tons, compared with 417,425 tons in 1969-70, representing an increase of about 22 percent.

In 1970, Thailand will export 17,154 tons of sugar to the United States under its quota and 32,400 tons under its International Sugar Agreement quota. Domestic consumption is estimated in the neighborhood of 350,000 to 370,000 tons. If the predicted record 1970-71 sugar crop is realized, Thailand must find some way to market its surplus sugar in order to stabilize the local industry and domestic sugar prices.

World Rye Crop Somewhat Lower

World production of rye in 1970 is estimated at 27.3 million metric tons, down 3 percent from 1969. Rye yields in both Eastern and Western Europe were reduced by poor weather. The Canadian crop, however, rose sharply as

RYE PRODUCTION IN SPECIFIED AREAS

Area	1969	1970
	<i>1,000 metric tons</i>	<i>1,000 metric tons</i>
Canada	419	596
United States	798	919
West Germany	2,889	2,660
Poland	8,200	6,100
USSR	9,800	11,500
Others	5,945	5,507
Total	28,051	27,282

acreage was shifted away from wheat, and the U.S. harvest was 15 percent higher. The Soviet crop gained by 17 percent.

A detailed table and analysis appeared in the September *World Agricultural Production and Trade, Statistical Report*.

Weekly Rotterdam Grain Price Report

Current offer prices for imported grain at Rotterdam, the Netherlands, compared with a week earlier and a year ago, are as follows:

Item	Sept. 23	Change from previous week	A year ago
	Dol. per bu.	Cents per bu.	Dol. per bu.
Wheat:			
Canadian No. 2 Manitoba	2.13	+6	1.90
USSR SKS-14	(¹)	(¹)	1.76
Australian Prime Hard	(¹)	(¹)	1.82
U.S. No. 2 Dark Northern Spring:			
14 percent	2.03	0	1.78
15 percent	2.07	+2	1.89
U.S. No. 2 Hard Winter:			
13.5 percent	1.96	0	1.74
Argentine	(¹)	(¹)	(¹)
U.S. No. 2 Soft Red Winter ...	1.89	+1	1.58
Feedgrains:			
U.S. No. 3 Yellow corn	1.84	-5	1.37
Argentine Plate corn	1.99	-2	1.75
U.S. No. 2 sorghum	1.73	+4	1.41
Argentine-Granifero	1.74	+2	1.49
Soybeans:			
U.S. No. 2 Yellow	3.30	+3	2.80

¹ Not quoted.

Note: All quoted c.i.f. Rotterdam for 30- to 60-day delivery.

Thailand Expects More Corn Exports

Thailand expects to export 1.8 million metric tons of corn this season compared with 1.4 million a year ago. Export commitments to Japan, Thailand's major customer, are 720,000 tons this year compared with 548,000 last year. Taiwan, Thailand's second largest customer, took 450,000 tons during calendar 1969 and is expected to increase imports from all sources substantially during calendar 1970.

Brazil Soybean Exports

Brazil's soybean exports in calendar 1970 will be below earlier expectations of 18 million bushels. It now appears that exports may not greatly exceed the 11 million bushels exported in 1969 despite the larger crop harvested this year. Some 11 million bushels had been shipped as of early September.

Additional quantities, estimated by the trade at 2 million to 7 million bushels, are being held by producers and/or producer cooperatives in anticipation of further price rises later in the year. These could move into export or into domestic consumption, if processor prices remain higher than export prices, in October or November when storage space is needed for the wheat harvest.

Other factors influencing the reduced estimate of exports are the expanding domestic demand for vegetable oils and

the decreased availability of cottonseed oil (due to reduced production) and peanut oil (due to heavy exports). This situation has pushed soybean prices paid by domestic crushers well above export levels.

Soybean meal exports, however, may be up sharply. During the first half of 1970 they totaled 131,000 short tons, compared with 78,000 tons in the same period last year and 314,000 tons in calendar 1969. However, domestic consumption of soybean meal in animal feeds, especially for poultry, is expanding, and the rate of increase in exports may not be as large in the latter half of the year.

Only insignificant quantities of soybean oil have been exported this year. Exports will continue small in 1971 unless export prices rise substantially, and even then will increase only if peanut oil is not available for export.

On the basis of Government and trade sources, the estimate of Brazilian soybean production in 1970 has been reduced from 51 million bushels to 47 million—still a record crop, and 12 million bushels above the 1969 crop. Plantings for the 1971 crop are expected to increase substantially, largely because of favorable prices. Producers this season have been receiving record prices—considerably above minimum support levels. Moreover, higher minimums, averaging 31 percent above this year's levels, were fixed recently for the 1971 crop. Another factor contributing to increased plantings is a lessening of interest in cotton and rice, which have been comparatively less profitable this year. Also, Government incentives to agriculture, such as exemption of the industrialized products tax on farm machinery and equipment, are encouraging expanded production of crops such as wheat and soybeans, which are suitable to a high degree of mechanization. In Rio Grande do Sul and Paraná these two crops usually are rotated on the same land, and combines can efficiently harvest both.

Argentine Flaxseed Production

Argentine flaxseed plantings this year are placed at 2,248,610 acres, according to the second official estimate. This is a decline of 3.7 percent from last year's plantings of 2,352,392 acres.

The reduction is due chiefly to the drought which covers the western and northern pampa. Last year a drought prevented seeding of wheat in nearly the same region, but it was broken in time to permit expanded seeding of flaxseed. This year, drought not only has prevented wheat seedings, but has continued until too late to seed flaxseed in some areas.

Another factor in the reduced planting is that current prices are below the support level. The more favorable prices of corn and edible oils could encourage producers to switch if possible.

While it is too early to accurately forecast 1970 flaxseed production, the average yield per planted acre for the last 5 years, if applied to the 2.2 million acres planted this year, would result in a crop of somewhat over 20 million bushels. Production in 1969 was 25.2 million bushels.

Linseed oil exports during 1969-70 (November-October) are expected to reach 165,000 short tons compared with 116,000 tons in 1968-69. Shipments through July totaled 143,000 tons. Export interest has weakened recently in view of the favorable flaxseed harvests in North America. Shipments of cake and meal continue fairly heavy and are ex-

pected to reach about 303,000 tons compared with 287,000 tons in 1968-69.

Domestic consumption of linseed oil in 1969-70 is expected to decline to about 30,000 tons from the 55,000 tons consumed in 1968-69. Consumption of cake and meal has expanded sharply and probably will reach 85,000 tons this year compared with 42,000 tons a year ago. The expanding mixed feed industry is becoming more important and is competing with the export market for the supply of cake and meal.

Prices of flaxseed and linseed oil have been well below last year's levels and below support. The support price for 1970-71 crop flaxseed will be 29 pesos per 100 kilograms (\$1.84 per bu. converted at the rate of 4 pesos per U.S. dollar), the same as last year's. The oil price has not been announced, but it probably will also remain the same—560 pesos per metric ton (6.35 cents per lb.) The Government is attempting to encourage shifts to other crops by increasing their support prices while maintaining flaxseed prices unchanged.

The exemption from the 10-percent sales tax on linseed oil, which was to have expired December 31, 1969, was extended 2 years.

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Recent World Actions on Pure Food and Pesticides *(Continued from page 5)*

continue to be available, but they must carry on their labels a warning to the effect that they should be used only on the advice of a physician.

Sweden Bans Imports of Hormone-Treated Beef

Effective September 1, Sweden banned imports of meat and meat products from countries where hormones may be used to stimulate growth of meat animals. Meat from such countries, which include the United States, will be allowed only upon official certification that the meat comes from animals not treated with such hormones.

Although U.S. representatives have advised the Swedes of U.S. withdrawal regulations and tolerance levels, the Government of Sweden maintains that hormone residues are a health hazard and that methods currently used cannot verify the absence of such hormones. Consequently, the Government of Sweden decided that meat from animals treated with growth hormones may not be used for human consumption.

The new regulations will have an adverse impact on U.S. exports of several categories of livestock and products, but particularly on variety meats. The American share of Swedish imports of variety meats in 1969 was about \$1 million,

down from about \$1.4 million in 1968. In addition, the United States was in the process of developing a wider market for beef cuts for use in better restaurants and hotels in Sweden.

Argentina and Italy Sign Veterinary Agreement

Argentina and Italy signed a new veterinary agreement, effective since August 15, covering their meat trade. Under the agreement, Italy will permit meat imports for which the Argentine Government has provided technical, hygienic, and sanitary certifications established by the Italian Government. The agreement covers imports of chilled and frozen meat from cattle, swine, sheep, and goats, which amounted to \$23.6 million in 1969.

The Argentine Veterinary Service will send Italy monthly statistical bulletins on transmissible animal diseases and information about the sanitary conditions in Argentina's slaughtering plants. Outbreak of certain diseases, especially foot-and-mouth disease, will be reported immediately by cable, with details on the origin of the disease, an evaluation, and measures taken to control it.

The central veterinary services of the two countries can modify the requirements and certification by mutual agree-

ment. In addition, the Italian Government reserves the right to make changes in the sanitary requirements if made necessary by new domestic legislation. Representatives of the two countries will consult regularly on implementation.

Sweden Cuts Rapeseed Oil in Margarine

Swedish margarine manufacturers in early September 1970 reduced the quantity of rapeseed oil in margarine an average of about 20 percent, to not more than 15 percent.

This action was prompted by recent reports on scientific experiments conducted in Canada, France, and the Netherlands. These reports indicated that rapeseed oil high in erucic acid, when fed in substantial amounts to experimental animals, changed the heart tissues of some animals. The feeding levels in the experiments, however, were far in excess of those in human diets.

The Swedish Board of Medicine has appointed a committee of experts to study the matter.

Use of rapeseed oil in margarine in 1970-71 is likely to be reduced from normal levels of about 30,000 tons to about 25,000 tons. Imported vegetable oils will have to be used instead.



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Foreign Agriculture

Agriculture in the Western Hemisphere

(Continued from page 4)

the trend to high slaughter weights is expected to continue in face of high meat prices and large feed supplies. Higher prices have also encouraged a strong rise in hog numbers in the past year and slaughter has risen sharply, indicating some recovery in total meat production this year.

Beef production in Mexico and Central America may be up somewhat. Production in Colombia should also continue some uptrend. However, cattle slaughter may be lower in Argentina and Brazil, which together account for about two-thirds of Latin American beef output.

During the past 3 years, the value of agricultural exports from Western Hemisphere countries has remained significantly below the 1966 peak of \$8 billion, due largely to a sharp drop in grains and some downtrend in cotton sales. Current reports, however, indicate some continuing recovery in Canada's agricultural exports during the coming year with previous records being exceeded in Argentina and Brazil. Strong expansion is anticipated for feedgrains and oilseeds. Banana exports should continue to rise and higher prices may partially offset a decline in shipments of coffee, cotton, and livestock products.

Larger exports for most crops

The recovery trend for Canada's wheat exports, in progress since early this year, is expected to continue during the 1970-71 marketing year; and barley shipments may exceed the previous record of 2.7 million metric tons established in 1952-53. Brazil's rice trade should be up sharply and corn exports are forecast at a new high, near 1.5 million metric tons. Relatively large supplies of feedgrains are still available from Argentina's record 1970 corn and sorghum grain crops despite an increase in recent export levels.

In view of record supplies, Canada's rapeseed exports to Japan and other world markets may continue a strong uptrend during the coming year. Greatly increased supplies may also permit a further expansion in Brazil's soybean exports which, this year, are forecast to be more than 50 percent above the 1969 record of 308,000 metric tons. Favorable prices should again encourage large Argentine sunflower plantings in 1971.

Limited supplies may encourage Brazil to restrict coffee sales in 1971, maintaining the upward pressure on world prices despite a possible rise in exports from Colombia, Central America, and other suppliers. Cotton exports will reflect some reduction in available supplies in Mexico, Central America, and Brazil. In contrast, banana exports should continue higher next year with sugar sales at somewhat increased levels. Strong pressure for beef exports to the United States continues in Mexico and Central America. Export supplies of meat in Canada and Argentina may also be somewhat higher.

U.S. farm exports at high level

U.S. agricultural exports to Canada and Latin America have maintained a slight uptrend in recent years and the 1968 peak of \$1.1 billion approximated 18 percent of our total farm trade to the world for that year. Exports to the region have maintained a strong pace since last year's dock strike. The January-June 1970 trade is 21 percent above the same 1969 period, indicating a possible new record. In 1971, U.S. farm exports may face growing competition from other Hemisphere suppliers, and there appears to be some slowing of economic growth rate in Canada and some Caribbean areas. However, strong development trends in other areas should help maintain a near-record level of exports during 1971.

U.S. exports of fruits, vegetables, and preparations to Canada should continue to expand, but our trade in meat and feedgrains may fall below peak levels of the past 2 years. Recovery from the drought by Mexico will probably result in lower sales to that country, forecast at a peak level of \$120 million this year. A falloff in growth of tourism could slow the rise in farm exports to the Caribbean region.

In contrast, strong economic growth trends, based upon expanding investment and exports, should contribute to further growth in U.S. exports to our principal Latin American markets—particularly exports of grains and fats and oils. The Caribbean countries will provide a growing market for feedstuffs. Canada may continue to increase its wheat exports to some Latin American markets. However, smaller Argentine supplies suggest opportunities for expansion of U.S. sales. Due to population and urban growth, the Latin American countries should provide a growing market for fats and oils and a variety of other superimposed agricultural products.